retire on 4-1-1986 was retired w.e.f. 9-11-1985.

(d) Departmental proceedings are pending against some senior officials of NTC. These cases pertain to undue favour shown in sales, purchases, irregularities in despatch of cloth and yarn, mis-use of official car, false T.A. claims etc.

Performance of Nationalised Banks in West Bengal

*169. SHRIMATI KANAK MUKHERJEE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the performance of nationalised banks in West Bengal was nowhere near the national targets;

(b) whether the flow of credit in relation to deposit was very poor in rural and semi-urban areas as compared to other States;

(c) whether credit deployment in Calcutta alone accounted for 83.5 per cent in 1984 leaving only 16.5 percen for the remaining 15 districts.

(d) whether a sizable part of the loanable funds was not being ploughed back and was flowing to other areas; and

(e) what steps Government propose to take to improve the situation

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (e) In West Bengal the credit deposit ratio of rural and semi-urban branches of public sector banks was 32.9 per cent and 25.1 per cent respectively as at the end of June 1985. Corresponding ratios for all-India were 61.0 per cent and 52.8 per cent. As at the end of December 1984 the outstanding advances of scheduled commercial banks from branches located in Calcutta were 83.5 per cent of their outstanding advances in West Bengal.

The credit: deposit ratio in a particular geographical area mainly depends upon the level of economic activity and demand for credit, which in turn is influenced by several factors such as the state of infrastructural facilities—adequate and uninterrupted power supply and transport—marketability of products, existing local entrepreneurship in various fields—availability of schemes of lending for developmental purposes—as well as reasonable expectations of loan recoveries and co-operation from local Government machinery.

Following a representation form the West Bengal Government about the low credit: deposit ratio in the state, a sample study was conducted by the Reserve Bank of India in six districts of the State with a view to identify the factors for low credit: deposit ratio and also to suggest suitable measures for improvement in this regard. The Reserve Bank of India held discussion with the State authorities of West Bengal with a view to take effective measures for the improvement of credit: deposit ratio. A special meeting of State Level Bankers Committee was convened at which various departments of the State Government were asked to have a relook into the annual action plans already prepared for all districts by the lead bank so as to achieve the objective of stepping up the credit deposit ratio—particularly under various heads of priority sector lendings. The State Government has also been advised to consider the recommendations made by the Sen Committee on agricultural productivity in the Eastern Region and to prepare suitable bankable schemes.